

Maryland
Sustainable
Growth
Commission



Reinvest Maryland

Accelerating
Infill
Redevelopment &
Community
Revitalization

A report of the Maryland Sustainable
Growth Commission

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Jessica D. Zuniga
Maryland Sustainable Growth Commission
Crownsville, Maryland
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The main goal of Reinvest Maryland is to support the following activities in defined areas:

- Infill - the development of vacant parcels within previously built areas.
- Redevelopment – building or rebuilding on parcels that have been previously developed, with redevelopment aiming for a higher and better use of the area for the community.
- Revitalization – instilling new life and vitality into a community through infill and redevelopment or other activities, such as building reuse and renovations, façade improvements, beautification efforts, small business loans, and special events.

What We Heard: Programs

- Difficult to combine multiple sources of funding
- Hard to rely on annually allocated funding
- Lack of funds for predevelopment work and operating expenses
- Lack of funds for mid-market projects



Recommendations: Programs

- Align application processes
- Small business support
- Sustainable funding sources
- Pre-development soft costs, operating expenses
- Mid-market projects



Create and Better Fund Innovative, Effective Reinvestment Programs Recommendations

- Maryland's core revitalization programs are well-regarded and effective
- Many local jurisdictions have their own analogous and complementary programs
- But a higher level of investment and better strategic alignment and coordination is needed to achieve their full potential.
- Both state and local government should pay careful attention to programs that support small businesses, because of their critical role in successful community revitalization and reinvestment.



Most Frequently Cited Issues

- Difficult combining multiple sources of funding for a project or to use state funding for a phased project, due to:
 - varied grant deadlines,
 - unknown dates for award announcements
 - requirements to spend the money within a certain timeframe,
 - matching funds, and
 - other restrictions and rules
- Public funds should also better support “mid-market” projects, which focus on people who do not qualify for income-restricted funds but who are unable to access sufficient private equity or debt.



Most Frequently Cited Issues

- Relative lack of funds for predevelopment work, such as planning, architecture, and engineering,
- Lack of available operating funds makes it difficult to fund ongoing costs like strategic code enforcement, planning, and grant administration.
- Some applicants may not even be aware of applicable programs or may not understand how to use them. Marketing, outreach and technical assistance to program applicants is important
- Uncertainty and delays surrounding grant agreements and release of funds can jeopardize projects.



- **PRO 1.** The state must establish more reliable, sustainable funding sources for its infill, redevelopment and revitalization programs, which include but are not limited to Community Investment Tax Credits, Community Legacy, Neighborhood BusinessWorks, Strategic Demolition and Smart Growth Impact Fund, Baltimore Regional Neighborhoods Initiative, Town Manager Circuit Rider Grant Program, Maryland Heritage Structure Rehabilitation Tax Credit, Heritage Areas Grants, and Community Parks and Playgrounds. The state should also incorporate existing or potential new programs and funds administered by the Department of Commerce and Department of Transportation into the Reinvest Maryland umbrella.



PRO 2. Recognizing the significant, ongoing need for dedicated funding for infrastructure, public amenities and public realm improvements to support infill, redevelopment and revitalization, and the fact that current funding is nowhere close to meeting the need, the Growth Commission will continue to study the issue and work with partners to identify long term and sustainable funding sources.



PRO 3. The state must also expand funds for pre-development soft costs such as architecture and engineering, as well as for ongoing operating costs such as planning, economic feasibility analysis, grant administration, relocations, targeted code enforcement, and local staffing. Funds from one program should be eligible as matching funds for another program, and in-kind services should also be eligible as a match.



PRO 4. The Smart Growth Subcabinet must coordinate alignment and streamlining of state application processes for core programs focused on infill, redevelopment, and revitalization. State agencies should:

- combine program applications to the greatest extent possible
- make questions as consistent as possible between applications to make applying for multiple programs easier
- streamline the application processes and make the applications shorter and less repetitive
- share, establish, make public, and adhere to timeframes for review, award, and other milestones important to applicants



PRO 5. MDP and the Maryland Historical Trust (MHT) must work with federal officials to ensure that Congress sustains the federal Rehabilitation Tax Credit program. With the support of the Commission, MDP and MHT also should seek state legislative support for strengthening the state's Maryland Heritage Structure Rehabilitation Tax Credit, returning the commercial credit to a traditional credit instead of an annually appropriated grant/tax credit hybrid. The state should also restore funding for technical support of local nominations to the National Register.



PRO 6. DHCD should develop new products to meet market demand including at a minimum tools for:

- mid-market projects, including acquisition/rehabilitation tools for homeowners
- adaptive reuse that retains community character but may not necessarily adhere to the Secretary of the Interior's historic preservation standards.





PRO 7. DHCD and MDP should provide technical assistance to local governments interested in establishing a land trust, land bank, and/or an affordable housing trust fund to facilitate reinvestment projects and, particularly, the retention of affordable housing in strong markets.



PRO 8. The Maryland Department of Transportation (MDOT) should develop funding and technical assistance resources to assist local governments with the planning, design and implementation of smaller projects, such as key bicycle and pedestrian improvements, for both local and state roads.

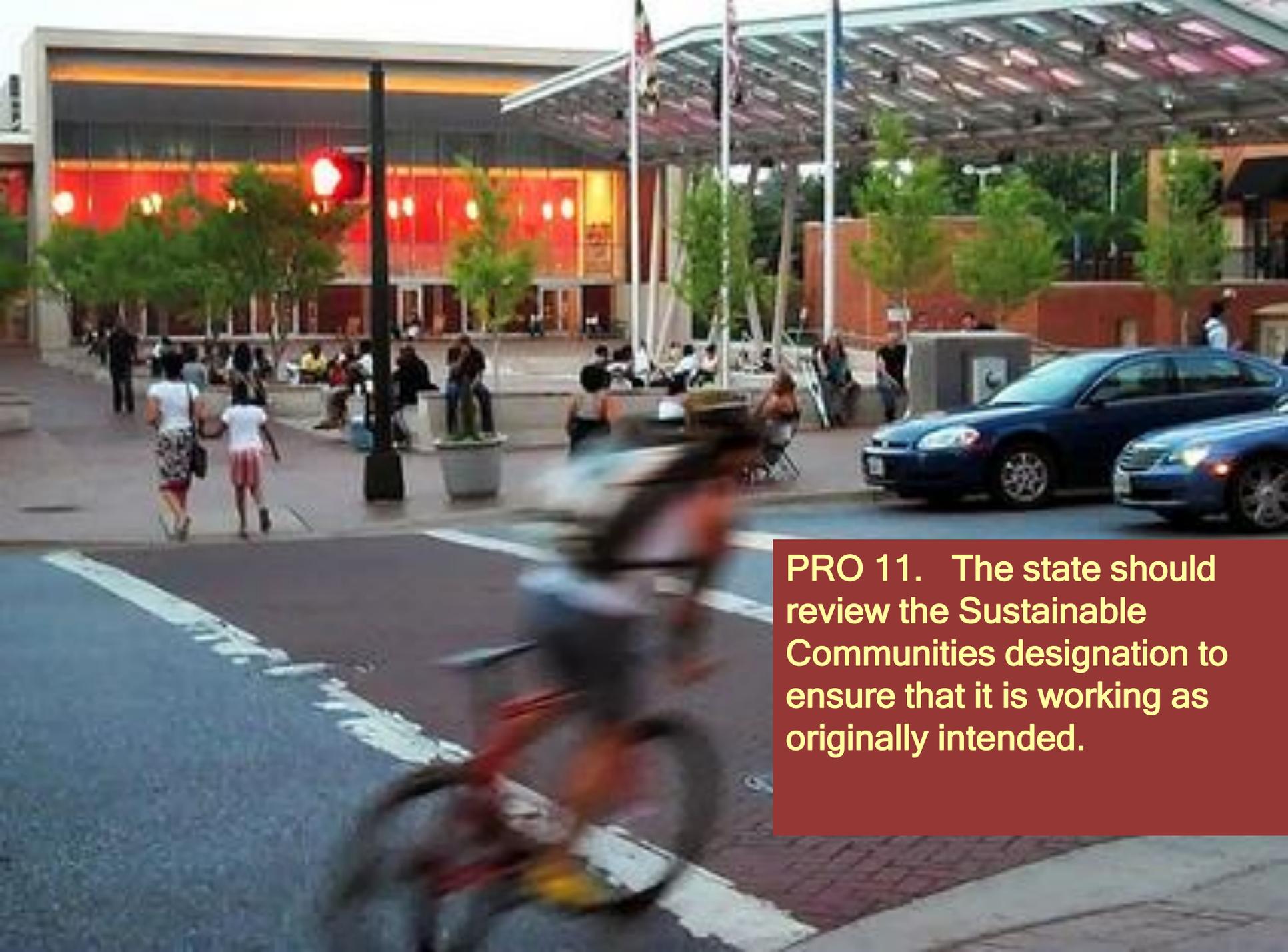
PRO 9. The Governor and General Assembly should consider changes to state law to support economic development in targeted areas, including allowing economically distressed municipalities that are not located within economically depressed counties to access the One Maryland Program's resources.





PRO 10. The state and local governments should develop initiatives to foster small business development within targeted areas. Initiatives might include:

- a. increased number of and resources for designated Main Streets
- b. expanded resources for the Neighborhood BusinessWorks program for direct grants and loans to businesses
- c. expanded financial, design, and other technical assistance
- d. community outreach to identify, encourage and create new business owners
- e. financial guarantees for landlords who lease to small business owners
- f. reduced permit fees
- g. incentives for creative uses of space that foster entrepreneurship, such as pop-up stores, shared business space, urban farming, farmers markets, and special events, along with reduction of regulatory barriers that stifle entrepreneurship
- h. legislation permitting periodic tax relief within targeted areas
- i. reduced approval threshold for the creation of business improvement districts
- j. zoning to encourage a mix of uses.



PRO 11. The state should review the Sustainable Communities designation to ensure that it is working as originally intended.